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ICE HQ FOR STRATEGIC INVESTIGATIONS
STATE FOR EB/ESP

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SUBJECT: EXTRANCHECK: POST-SHIPMENT VERIFICATION: AGMATEL INDIA, NEW DELHI, LICENSE NO. D328865

REF: USDOC 02437

1. Unauthorized disclosure of the information provided below is prohibited by Section 12(c) of the Export Administration Act.

2. Export Control Officer (ECO) Paul Cushman and BIS FSN Prem Narayan conducted a Post-shipment Verification (PSV) at Agmatel India (Agmatel), New Delhi, on April 13, 2007.

3. BIS requested a PSV on Agmatel, a private sector company, located at: B-28, First Floor, Patparganj Industrial Area, Delhi 110092, tel: 91-11-2216-2969, fax: 91-11-2216-2967, email: agmatel@vsnl.com. Website: www.agmatel.com. Agmatel was listed as the Ultimate Consignee and Tektronix (India) Ltd., Bangalore, as the Intermediate Consignee for two Models TDS5104B and TDS3054B digital phosphor oscilloscopes controlled under ECCN 3A292. As of August 30, 2005, BIS decontrolled NP2 controlled items for India including oscilloscopes. The license applicant was Tektronix Inc., Beaverton, OR. The BIS export license D328865 under which the subject was covered expired on November 30, 2006.

4. Cushman and Narayan met with A.K. Aggarwal, Director, Test & Measurement and V.K. Malhotra, Director, IT & Office Automation, Agmatel.

5. In July 2005, then ECO Rufe conducted a favorable PSV at Agmatel for a different BIS export license No.D310706. Agmatel representatives were familiar with BIS and the Regulations as they are the sole Tektronix distributors in India. Aggarwal stated that they imported these two oscilloscopes for demonstration purpose to promote their sale in India. Agmatel has a Rate Contract with the GOI, Directorate General of Supplies and Disposals (DGS&D), New Delhi, for the supply of Tektronix oscilloscopes.

6. What is a rate contract: DGS&D is the nodal agency of GOI under the Department of Commerce (Supply), Ministry of Commerce and Industry. It renders procurement services to Central and State governments by placing rate contracts for common user items and contracts against their ad-hoc demands. The main function of DGS&D is to conclude rate contracts, form GOI purchase policy and procedure and carry out inspection of items purchased through DGS&D. DGS&D identifies such items, whose anticipated annual purchase by GOI organizations is normally more than \$55,000 a year and lists these items under a DGS&D rate contract.

7. Subsequently, Agmatel sold these two oscilloscopes to two different GOI organizations. The Model TDS5104B oscilloscope bearing serial number B022245 was sold to Sashastra Seema Bal (SSB), which is one of two border guarding forces under the administrative control of the Ministry of Home Affairs, GOI, in December 2005 and

Model TDS3054B, bearing B033422, was sold to Instruments Research & Development Establishment (IRDE), a Defence Research Development Organization (DRDO) laboratory, Ministry of Defence.

¶18. To support the SSB transaction, Aggarwal provided SSB Supply Order, Tektronix Invoice, Tektronix Customs Invoice & Packing List, Customer Declaration, SSB agreeing that it will abide by BIS export license conditions, Receipt of customs duties paid, DGS&D inspection certificate, Air Waybill, and Agmatel delivery receipt confirming that the equipment was delivered to SSB. Though the end-use of the oscilloscope was not specified as to how SSB will use it but the SSB Customer Declaration states that it will abide by all BIS export license conditions. Aggarwal confirmed in writing that it is used for maintenance and repair of high frequency (HF) and very high frequency (VHF) telecommunication equipment and trans-receivers. Former ECO Rufe conducted a PSV at SSB on September 8, 2006 for a different BIS export license D340854 for three Tektronix oscilloscopes.

¶19. To support the second transaction, Agmatel provided a copy of IRDE Supply Order, Tektronix Invoice, Tektronix Customs Invoice and Packing List, Air Waybill, DGS&D inspection certificate, Agmatel Delivery Receipt confirming the oscilloscope was delivered to IRDE. Aggarwal also provided copies of correspondence between Agmatel and Tektronix with regard to BIS export license. Tektronix informed Aggarwal that IRDE application for BIS export license was returned without action on 10/05/05 and it further stated that this shipment may be made with no license required since control was removed on the oscilloscopes for India effective August 30, 2005. In the documentation provided for IRDE transaction, there was no end-use statement. Aggarwal confirmed in writing that the oscilloscope is used for accurate measurement of signal and signal components, pulse width, etc. IRDE is one of 51 laboratory/research establishments operated by DRDO, Ministry of Defence.

¶10. Established in 1992, Agmatel is a marketing company in the fields of test and measurement equipment, information technology and office automation equipment. In the test and measurement division, Agmatel represents Tektronix, Keithley, Mechatronics, Falcon and Elnova. Agmatel has a Rate Contract with the GOI, Directorate General of Supplies and Disposals, New Delhi, for the supply of Tektronix oscilloscopes. Agmatel has sales offices in Jammu, Lucknow, Dehradun, Bangalore, Bhopal and Chandigarh. Agmatel employs 60 personnel including 30 engineers. Agmatel reported a sales turnover in FY 2005-06 of approximately \$17 million.

¶11. Recommendation: Agmatel provided sufficient documentation to confirm both transactions. As no on-site inspection was conducted of each oscilloscope, and such items have been decontrolled as of August 30, 2005, the Post-shipment Verification remains limited.
(PCUSHMAN/PNARAYAN) Mulford